



MHA
Michigan Health &
Hospital Association

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To: Senator Mike Shirkey, Chairman, Senate Health Policy Committee
Members, Senate Health Policy Committee

From: Amy Barkholz, General Counsel
Chris Mitchell, Vice President, Government and Political Affairs

Date: March 15, 2016

Re: Senate Bill 741 (CON Exemption for Dental Imaging Equipment)
MHA Position - OPPOSE

The Michigan Health & Hospital Association opposes Senate Bill 741, which would amend Michigan's Certificate of Need law to exempt licensed dentists from CON regulation when using CT imaging equipment currently regulated by the CON program. MHA opposes the legislation because it seeks a carve-out for a certain group of providers which creates a precedent for similar carve-outs in the future that could weaken the integrity of the process.

On April 8, 2015 the MHA Board of Trustees affirmed the Association's long-standing position of support for Michigan's Certificate of Need Program as a means of maintaining access to cost effective, high quality care for all of Michigan's residents while restraining the proliferation of unnecessary facilities and services. **The Position Statement calls for the MHA to advocate working within the CON Commission's process to amend the CON standards rather than pursuing legislative determinations for individual health care projects or services regulated by the CON program.**

Certificate of Need is a state regulatory program intended to balance cost, quality and access issues and ensure that only needed services and facilities are developed in Michigan. The 11-member, governor-appointed state CON Commission meets five times per year to review standards that regulate covered healthcare services, beds, new construction and renovation. Proposed changes to the standards receive a public hearing, and, if approved by the CON Commission, are forwarded to the legislature and executive branch for final approval before taking effect. The CON Commission utilizes advisory committees, public work groups, and expert testimony to obtain recommendations on the merits of proposed changes to regulated services and facilities. It is also within the charge of the CON Commission to

recommend deregulation of a certain covered service or type of equipment based on evidence that such action advances the goals of cost containment, patient access, and quality of care.

The CON Commission has taken up the issue of regulation of dental CT equipment on several occasions. Based on patient safety concerns related to radiation exposure, the CON Commission has recommended continued regulation of dental CT equipment. On Jan. 28, 2016, the Commission appointed a public work group to again review the CT standards and specifically called for recommendations on the continued inclusion of dental CT imaging equipment. **The MHA has not provided comments to the CON Commission on the substantive merits of regulating or de-regulating dental CT equipment but has supported the Commission's process as being the appropriate mechanism for reviewing the issue.**

Given MHA's Position Statement on CON that advocates for working within the CON process and given the CON Commission's current review of dental CT equipment, MHA opposes SB 471 because it circumvents an established process that is working as designed.

For these reasons, the MHA opposes SB 471. Thank you for your time and consideration. Please don't hesitate to contact the MHA if you have any questions.